

# WELFARE REFORM ACT 2012

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 1: Universal credit**

#### ***Section 11: Housing costs***

58. *Section 11* provides for an amount to be included for housing costs. A person's maximum amount may include an amount for housing costs if the claimant is liable to make payments on their home. This could be in the form of rent, mortgage costs or other housing-related costs. Where the amount for housing relates to a liability to pay rent, it is intended that the amount will be calculated with reference to a claimant's household size and circumstances as well as their actual rent, as is the case currently in housing benefit. The detailed rules for calculating the amount will be set out in regulations under *subsection (4)*.
59. Regulations under *subsection (5)* may allow for circumstances where an award will not include an amount for housing at all, as well as for an amount for housing not to be included until a prescribed time or for its inclusion to end after a prescribed period. This may, for example, be used to prevent a person from receiving support for mortgage costs for a period at the beginning of their claim, as is currently the case in income support, or to maintain the current limit on how long a claimant may receive support for mortgage costs.
60. The first regulations made under this section will be subject to the affirmative resolution procedure.